In the Claims:

1. (Currently amended) A method of inspecting printing, the method comprising: digitally watermarking an image, said watermark being redundantly applied in areas of said image; printing said image on a carrier; acquiring a second image of the image printed on said carrier; detecting the digital watermark from areas of said second image; and determining an extent to which the digital watermark is detected in the areas as a measure of quality of the printing, including separately determining the extent of detecting a watermark signal in a plurality of distinct areas.

- 2. (Currently amended) The method recited in claim 1, wherein said watermark includes [[a]] the watermark signal embedded into the image at selected spatial frequencies in the plurality of distinct areas, and the separately determining includes measuring strength of the watermark signal at the selected spatial frequencies in the distinct areas.
- 3. (Previously presented) The method recited in claim 1, wherein said carrier is a label.
- 4. (Previously presented) The method recited in claim 1, wherein said second image is acquired using a digital camera.
- 5. (Previously presented) The method recited in claim 3, wherein said label is evaluated based on strength of watermark signal detected in the areas as the measure of the quality of the printing.

6-7. (Cancelled)

8. (Previously presented) A method of inspecting quality of printing, the printing including a first image that has been digitally modified to embed a digital watermark signal and printed on a carrier to create a printed image, the method comprising:

acquiring a second image of said printed image;

reading said watermark signal from said second image to compute a measure of the digital watermark signal strength embedded in the second image; and determining quality of said printing from the measure of the digital watermark signal strength.

- 9. (Previously presented) The method recited in claim 8, wherein said carrier is a label.
- 10. (Currently amended) The method recited in claim 8, wherein said watermark comprises a signal embedded into the image at selected spatial frequencies, and the measure of the digital watermark strength comprises a measure of the signal at the selected spatial frequencies.
 - 11. (Cancelled)
- 12. (Previously presented) The method recited in claim 8, wherein said watermark is redundantly embedded in multiple areas of said image.
- 13. (Previously presented) The method recited in claim 12, wherein said carrier is a label.
 - 14. (Cancelled)

- 15. (Currently amended) A system for inspecting a printed image, said printed image including a digital watermark, said watermark being redundantly applied to areas of said printed image, said system comprising: an image capture device for acquiring an image of said printed image; a computer that executes a watermark reading program for detecting a digital watermark signal from said areas of said image; and the computer executes code for examining magnitude of the digital watermark signal in said areas as a measure of quality of said printing.
- 16. (Currently amended) The system recited in claim 15, wherein said digital watermark includes a signal embedded into the image at selected spatial frequencies, and magnitude of the digital watermark comprises magnitude of the watermark at the selected spatial frequencies.
- 17. (Previously presented) A system for inspecting quality of printed labels, said labels being printed with an image which includes a digital watermark embedded in areas of said image, the system comprising:

 means for acquiring an image of said labels after said labels have been printed;

 means for detecting a watermark signal from the areas of said image of said labels; and means for determining an extent to which the watermark signal is detected in the areas as a measure of print quality of said labels.
- 18. (Previously presented) The system recited in claim 17, wherein said digital watermark includes a signal embedded into the image at selected spatial frequencies.
- 19. (Previously presented) The method of claim 1, wherein strength of the digital watermark signal in the areas is used as a measure of print quality.
- 20. (Previously presented) The method of claim 19, wherein strength of the digital watermark is measured as a function of spatial frequencies that have been modified to embed the digital watermark in the areas.

- 21. (Previously presented) The method of claim 1, wherein the digital watermark is embedded in a background image.
- 22. (Previously presented) The method of claim 8, wherein strength of the digital watermark signal in areas of the image where the digital watermark is redundantly embedded is used as a measure of print quality.
- 23. (Previously presented) The method of claim 22, wherein strength is measured as a function of spatial frequencies that have been modified to embed the digital watermark.
- 24. (Previously presented) The method of claim 8, wherein the digital watermark is embedded in a background image.